

**G. LOSS, THEFT, DESTRUCTION OR NON-RECEIPT OF A WARRANT****WAC 388-412-0035 Loss, theft, destruction or nonreceipt of a warrant issued to clients and vendors.**

The following applies to replacements of warrants issued to clients and to vendors.

- (1) The department does not replace a warrant or the cash proceeds from a warrant which was endorsed by a client or vendor.
- (2) Clients or vendors asking for a replacement of a warrant which was not endorsed by them must:
  - (a) Complete a notarized affidavit;
  - (b) Provide all facts surrounding the loss, theft, destruction or nonreceipt of the warrant; and
  - (c) File a report with the police or the post office, as appropriate.
- (3) If a client is eligible to receive a replacement, the warrant is issued:
  - (a) On or before the tenth of the month in which the warrant was due; or
  - (b) Within five working days of the date the decision is made to replace the warrant, whichever is later.
- (4) A client or vendor is issued the full amount of the original warrant if the warrant is replaced.

**CLARIFYING INFORMATION**

1. The department does not replace lost or stolen cash. Do not replace a warrant which was endorsed by the payee as this is considered to be the same as cash.
2. The Office of the State Treasurer (OST) Inquiry System is used to determine whether a warrant was endorsed and redeemed. If a warrant was redeemed but the client claims they have not received or endorsed the warrant, the worker must determine if the warrant should be replaced.

3. If a client makes numerous requests for replacement warrants the department is to investigate the need for a protective payee and establish one, if it is in the best interest of the client to do so.
4. If the original warrant is redeemed by the state treasurer, the department takes the necessary action to collect repayment.

## **WORKER RESPONSIBILITIES**

### **1. Reported Loss:**

#### **a. The worker:**

- (1) Gets all facts surrounding the report of loss;
- (2) Explains to the client that when the Division of Fraud determines that both the original and replacement warrants are endorsed by the client:
  - (a) An intentional overpayment is established;
  - (b) The grant is reduced by ten percent; and
  - (c) May be referred to the county prosecutor for criminal prosecution.
- (3) Assesses the reported facts and make a judgment of the validity of the report using the following sources:
  - (a) The Registration and Control of Negotiable (RCN) program to determine if the warrant returned to the CSO; If not:
  - (b) OST to determine if the warrant was redeemed.
- (4) Requires the payee to report the non-receipt or theft to the post office or police, as appropriate;
- (5) Determines an appropriate course of action; and

- (6) Informs the client in writing of the action taken.
- b. If the worker decides to replace the warrant:, the worker:
  - (1) Asks the payee to sign an DSHS 07-008(X) Affidavit of Lost, Stolen, or Destroyed Warrant. Follow the forms instruction for distribution of the form.
  - (2) Authorizes a replacement warrant; and
  - (3) Documents all actions taken.

**2. Redeemed Warrants and Affidavits of Forged Endorsement:**

If the original warrant that was replaced is redeemed, Disbursements sends the CSO a copy of the signed warrant for the client to examine.

- a. When the CSO receives this copy, the worker sends a letter to the payee within 10 days asking the payee to come to the CSO to examine the signature.
- b. When the payee examines the signature and declares it is a forgery, the worker:
  - (1) Has the payee sign a DSHS 09-052(X), Affidavit of Forged Endorsement in the presence of a notary; and
  - (2) Sends the DSHS 09-052(X) with a copy of the DSHS 07-008(X) to Disbursements.
- c. If the payee declares the signature is theirs, the worker:
  - (1) Sends a memorandum to Disbursements immediately;
  - (2) Determines if there was intent to commit fraud;
  - (3) Establishes an overpayment if the payee benefited from both the original and replacement warrants; and
  - (4) Sends a DSHS 02-182(X), DFI Referral if there was intent to commit fraud.

**NOTE:** The payee may have signed both warrants but the payee may not have realized that they did due to confusion or mental deficiency. If unsure of intent, establish the overpayment based on DFI's findings.

- d. If the payee is not sure if the signature is theirs, the worker:
  - (1) Sends a DSHS 02-182(X) attaching a copy of the endorsed warrant;
  - (2) Takes the appropriate action based on DFI's findings;
  - (3) Has the client sign the DSHS 09-052(X) when DFI determines that the payee did not redeem both warrants; and
  - (4) Sends the DSHS 09-052(X) to Disbursements.
- e. If the payee does not come into the CSO to examine the signature, the worker:
  - (1) Sends a DSHS 09-182(X) to DFI to determine if there was intent to commit fraud; and
  - (2) Take appropriate action based on DFI's findings.

### 3. Requesting Copies of Warrants:

- a. To receive a copy of a warrant, send a request for a copy to:

Sylvia Tsao, DMOS, Fiscal Services  
Campus mail: MS 45560,  
Email: [tasosy@dshs.wa.gov](mailto:tasosy@dshs.wa.gov) or  
Fax: 1-360-413-3490

- b. Include the following information in the request:
  - (1) Warrant number;
  - (2) Date on the warrant;

- (3) Amount of warrant; and
  - (4) Payee name.
- c. Requests for a warrant are processed weekly and returned via campus mail.